

**REVISED JUDICATURE ACT OF 1961 (EXCERPT)**  
**Act 236 of 1961**

**600.2807 Property owned as tenants by the entirety; priority; exceptions; sale or refinance of property subject to judgment lien; limitation on proceeds.**

Sec. 2807. (1) A judgment lien does not attach to an interest in real property owned as tenants by the entirety unless the underlying judgment is entered against both the husband and wife.

(2) With the following exceptions, a judgment lien has priority over a lien recorded with the register of deeds after the notice of judgment lien is recorded:

(a) A purchase money mortgage.

(b) A mortgage to the extent that proceeds of the mortgage are used to pay 1 or more of the following:

(i) Purchase money mortgage debt.

(ii) A subsequent refinancing of purchase money mortgage debt.

(iii) A nonpurchase money mortgage recorded before attachment of the judgment lien.

(c) A lien that secures an advance made under a previously recorded future-advance mortgage.

(d) A lien that has or acquires priority by operation of law.

(e) A claim of lien recorded with the register of deeds under section 111 of the construction lien act, 1980 PA 497, MCL 570.1111.

(f) A lien for unpaid assessments or charges due to a condominium association, homeowners' association, or property owners' association that arises from or pursuant to recorded restrictions that run with the land.

(g) A state or federal tax lien.

(3) If property subject to a judgment lien recorded under this chapter is sold or refinanced, proceeds of the sale or refinancing due to a judgment creditor are limited to the judgment debtor's equity in the property at the time of the sale or refinancing after all liens senior to the judgment lien, property taxes, and costs and fees necessary to close the sale or refinancing are paid or extinguished.

**History:** Add. 2004, Act 136, Eff. Sept. 1, 2004.